

H 4006

CONGRESSIONAL RECORD — HOUSE

April 12, 1967

(e) Section 4(f)(4) of such Code (cross references) is amended by striking out "and Table V in section 3(b)" and inserting in lieu thereof "Table V in section 3(b), and the corresponding table prescribed under section 3(c)".

(f) The last sentence of section 6014(a) of such Code (relating to election by taxpayer) is amended to read as follows: "In the case of a married individual filing a separate return and electing the benefits of this subsection, Table V of section 3(a), Table V of section 3(b), and the corresponding table prescribed under section 3(c) shall not apply."

SEC. 4. (a) Section 3402(b)(1) of the Internal Revenue Code of 1954 (relating to percentage method of withholding income tax at source) is amended by striking out the table and inserting in lieu thereof the following:

"Percentage method withholding table

"Payroll period	Amount of one withholding exemption
Weekly.....	\$21.20
Biweekly.....	42.30
Semi-monthly.....	45.80
Monthly.....	91.70
Quarterly.....	275.00
Semi-annual.....	550.00
Annual.....	1,100.00
Daily or miscellaneous (per day of such period).....	3.00".

(b) Section 3402(c)(1) of such Code (relating to wage bracket withholding) is amended to read as follows:

"(1) At the election of the employer with respect to any employee, the employer shall deduct and withhold upon the wages paid to such employee a tax determined in accordance with tables prescribed by the Secretary or his delegate, which shall be in lieu of the tax required to be deducted and withheld under subsection (a). The tables prescribed under this subparagraph shall correspond in form to the wage bracket withholding tables which appeared in this paragraph before the enactment of the Personal Exemption Amendments of 1967, and shall provide for amounts of tax in the various wage brackets approximately equal to the amounts which would be determined if the deductions were made under subsection (a)."

(c) Section 3402(m)(1) of such Code (relating to withholding allowances based on itemized deductions) is amended by striking out "\$700" and inserting in lieu thereof "\$1,100".

SEC. 5. (a)(1) Part VII of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to additional itemized deductions for individuals) is amended by redesignating section 218 as section 219, and by inserting after section 217 the following new section:

"SEC. 218. ADJUSTMENT IN PERSONAL EXEMPTION TO REFLECT COST OF LIVING IN STATE

"(a) DEDUCTION ALLOWED.—If the taxpayer resides in a State at the end of the taxable year, there shall be allowed as a deduction for the taxable year an amount equal to—

"(1) the number of exemptions the taxpayer is allowed under section 151 for the taxable year, multiplied by

"(2) the amount (determined by the Secretary or his delegate) which bears the same ratio to \$1,000 as—

"(A) the excess of the cost-of-living for such State over the cost-of-living for the State having the lowest cost-of-living, bears to

"(B) the cost-of-living for the State having the lowest cost-of-living.

"(b) DEFINITIONS.—For purposes of subsection (a)—

"(1) The term 'cost-of-living' with respect to a State means an index of consumer prices in such State which the Secretary of Labor shall determine for such State in the same manner (insofar as practicable) as he determines the annual average of the Consumer Price Index (all items—United States city average) for the United States. Cost-of-living for a taxable year shall be determined on the basis of the calendar year ending in such taxable year.

"(2) The term 'State' includes the District of Columbia."

(2) The table of sections for such part VII is amended by striking out the last item thereof and inserting in lieu of such item the following:

"Sec. 218. Adjustment in personal exemption to reflect cost of living in State.

"Sec. 219. Cross references."

(d) Section 63(b) of the Internal Revenue Code of 1954 (relating to taxable income of individuals electing standard deduction) is amended by striking out "and" at the end of paragraph (1), by striking out the period at the end of paragraph (2) and inserting in lieu thereof ", and", and by adding at the end of such subsection the following new paragraph:

"(3) the deduction provided in section 218 (relating to adjustment in personal exemption to reflect cost of living in State)."

(c) Section 4(a) of such Code (relating to number of exemptions) is amended to read as follows:

"(a) DEFINITIONS.—For purposes of section 3 (including the tables therein)—

"(1) the term 'number of exemptions' means the number of exemptions allowed under section 151 as deductions in computing taxable income, and

"(2) the term 'adjusted gross income' means adjusted gross income as defined in section 62, minus the deduction allowed by section 218 (relating to adjustment of personal exemption to reflect cost of living in State)."

SEC. 6. The amendments made by sections 2, 3, and 5 of this Act shall apply only with respect to taxable years beginning after the date of enactment of this Act. The amendments made by section 4 of this Act shall apply only with respect to remuneration paid on and after January 1, 1968.

"RAMPARTS" AND ITS ASSOCIATES

(Mr. ASHBROOK (at the request of Mr. WATKINS) was granted permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ASHBROOK. Mr. Speaker, on April 3 of this year I pointed out in the CONGRESSIONAL RECORD, page H3473, that a report of the House Committee on Un-American Activities has found that the Vietnam week program of April 8 to 15 was organized principally by members of the Communist Party. The impetus for these demonstrations was provided by two groups, the Student Mobilization Committee and the Spring Mobilization Committee, in which "Communists are playing dominant roles."

The west coast chairman of the Spring Mobilization Committee operation is Edward Keating, the founder, publisher, and editor-in-chief of Ramparts the magazine which did much damage by revealing that the CIA had been channeling money to the U.S. National Student Association and other groups. Al-

though not a Communist Party member himself, Keating has traveled widely and made numerous speeches drumming up attendance for the demonstration against the United States in San Francisco on April 15. Of Keating, the House committee stated:

At a New York City demonstration against the war in Vietnam held last November, Keating called for the impeachment of President Johnson. He was one of the speakers at the teach-in on Vietnam held at the University of California, Berkeley, campus on May 22, 1965.

Who are Keating's associates at "Ramparts?"

Are they essentially in agreement with the stated policies of such national organizations as the American Legion, the Veterans of Foreign Wars, the Jaycees?

Would J. Edgar Hoover welcome them as applicants for the FBI?

Would you have them teaching an American Government course to your children?

Could industry groom them for sensitive jobs in defense work?

The answers are, for the most part, a matter of individual judgment.

Exclusive, the Washington newsletter published by Fulton Lewis III has provided background information on the various people associated with Ramparts. According to the Exclusive rundown, the best interests of the United States does not appear to be one of their criteria for judgments. Granting their sincerity of belief, one must not deny them the right to disagree, but we must be reserved the same right to disagree—with them.

The following are the March 29 and April 5 issues of Exclusive, edited and published by Fulton Lewis III:

[From Exclusive, Mar. 29, 1967]

The article in the February 1967 issue of "Ramparts" magazine, breaking the sensational story concerning Central Intelligence Agency subsidies of private student, labor, and educational organizations, has already prompted action by President Johnson to forbid future channeling of CIA funds into groups like the National Student Association. Still another outcome of the controversy may well be closer Congressional supervision of the CIA activities in the future.

An analysis of the backgrounds of those associated with "Ramparts" suggests that the motivation for the magazine's February disclosures was to destroy, or at least weaken, CIA, rendering it incapable of acting as a deterrent to communism abroad.

Founded in 1962 as "the Catholic journal of independent opinion", "Ramparts" magazine has no official ties with the Catholic Church. It is published monthly in San Francisco and, particularly in recent years, has been advocating a consistently leftist philosophy with primary emphasis being placed on a bitter denunciation of American involvement in the war in Vietnam.

"Ramparts" magazine's Editor in Chief, Edward Michael Keating, has made numerous speeches throughout the country criticizing U.S. "intervention" in both Vietnam and the Dominican Republic. In addition, he has been an outspoken critic of the Federal Bureau of Investigation, frequently making baseless charges or allegations concerning the work of that Bureau. In October, 1964, Keating publicly indicated that he was willing to turn over to the Justice Department information he had obtained concerning the murder of three civil rights workers in Mississippi. In making the offer, he charged that the FBI had "not done its